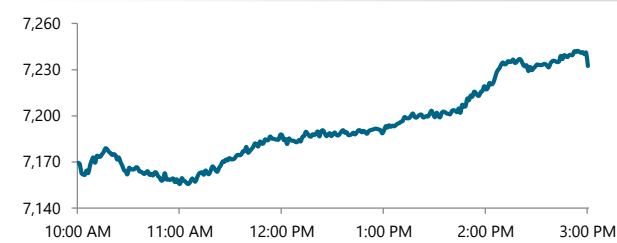


Daily Markets Overview

28 June 2020

TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,232	0.3	-1.7	-13.8	19.5
Saudi (NOMUC)	7,924	-1.4	-8.5	10.4	33.0
Energy	4,970	-0.3	-1.1	-8.7	21.7
Materials	4,526	0.0	-2.5	-12.4	NA
Capital Goods	3,757	-0.2	-2.1	-13.3	27.7
Com. & Prof. Svc	3,748	0.3	-0.3	-21.4	14.7
Transportation	3,688	0.5	1.0	-16.1	22.4
Cons. Durables & Apparel	3,339	0.7	3.3	-4.8	NA
Consumer Services	3,426	1.0	1.6	-13.5	8.7
Media	7,834	-2.0	4.5	-16.7	24.3
Retailing	6,695	0.4	1.1	-13.0	NA
Food & Staples Retailing	9,148	0.0	-1.7	38.3	NA
Food & Beverages	5,170	-1.7	-2.8	18.7	43.1
Health Care Equipment	3,907	-0.2	-0.8	4.8	26.6
Pharma, Biotech & Life Science	3,898	2.4	-2.6	8.4	NA
Banks	6,368	1.1	-1.7	-21.5	12.3
Diversified Financials	3,115	0.6	-0.6	-5.7	NA
Insurance	4,498	-0.4	-0.5	-0.4	44.6
Telecommunication	6,407	-0.4	-1.8	-1.0	22.5
Utilities	3,519	0.0	-1.0	-20.0	NA
REITs	3,635	0.5	0.8	-13.4	20.0
Real Estate	2,397	0.2	-3.0	-23.5	NA

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
National Company for Learning and Education	46.45	9.9%	49
Saudi Paper Manufacturing Co.	31.25	4.7%	93
Knowledge Economic City	9.01	4.2%	41
Samba Financial Group	23.94	4.1%	70
Taleem REIT Fund	11.86	4.0%	0.4

Source: Tadawul

Latest Earnings

Company	Date	Period	Q NI (SAR mn)	Y/Y %	Q EPS (SAR)	vs. Consensus
GACO	22-Jun	1Q20	0.7	-92%	0.02	NA
Raydan Cuisines and Restaurants	22-Jun	1Q20	-6.7	NM	-0.30	NA
Chemanol	22-Jun	1Q20	-28.6	NM	-0.24	NA
Kingdom	22-Jun	1Q20	-50.1	-129%	-0.01	NA
Jabal Omar	22-Jun	1Q20	-217.3	NM	-0.23	NA

Source: Tadawul

Saudi Market Update

- TASI closed 0.3% higher to 7,232 while NOMUC declined 1.4% to 7,924 bn Thursday. TASI traded value totaled SAR 4.3bn and averaged SAR 18.6bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 24.8% of the daily traded value.
- MSCI Emerging Markets closed 0.6% lower on Friday, trading at P/E (TTM) of 16.5x vs. 19.5x for TASI.
- Banks gained 1.1%, while Materials closed flat. Telecom closed 0.4% lower. Pharma, Biotech & Life Science (up 2.4%) was the best performing sector. Among stocks, National Company for Learning and Education (4291/NCLE AB), Saudi Paper Manufacturing Co. (2300/SPM AB), and Knowledge Economic City (4310/KEC AB), led the gainers.
- The General Authority of Zakat and Tax (GAZT) issued guidelines for raising the value-added tax (VAT) to 15% from 5%, which will come into effect on July 1, 2020. It added that the zero-rated and exempt goods and services will not be impacted by the new VAT. (Source: *Argaam*)
- National Commercial Bank (1180/NCB AB) signed a framework agreement with Samba Financial Group (1090/SAMBA AB) to begin due diligence process and negotiate definitive and binding terms of a potential merger. Shareholders of Samba will receive between 0.736 and 0.787 newly issued share of NCB in exchange for every share they hold in Samba. (Source: *Argaam*)
- Samba Financial Group (1090/SAMBA AB) CEO indicated that, the KSA's economy will start to recover in the 2H20 from the COVID-19 impact, with full recovery expected by the end of 2021. She explained further that the bank is in close contact with Saudi Arabian Monetary Authority (SAMA), Debt Management Centre and Ministry of Finance to review the progress in the stimulus packages provided during the pandemic. (Source: *Argaam*)
- National Petrochemical Co. (2002/PETROCH AB) announced that the board of directors of its subsidiary, Saudi Polymers Co., decided today to shut down the polystyrene unit and amortize its value, due to difficulties in achieving profits amid the global polystyrene market conditions. The company expected this process to have an impact of up to SAR 277mn (USD 73.8mn) on its financial statements for 2Q20. (Source: *Argaam*)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Savola Group	43.50	-3.1%	25
National Agriculture Development Co.	28.15	-2.4%	45
Arab Sea Information System Co.	34.30	-2.1%	62
Saudi Research and Marketing Group	64.80	-2.1%	22
Wataniya Insurance Co.	25.25	-1.9%	24

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Al Rajhi Bank	57.80	0.5%	303
Dar Alarkan Real Estate Development Co.	6.95	-0.6%	257
Saudi Basic Industries Corp.	87.70	-0.1%	204
Alinma Bank	14.66	0.4%	167
The Saudi Arabian Oil Company	32.70	-0.3%	136

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of June 25, 2020
(2) WTD: Week to Date and YTD: Year to Date

Daily Markets Overview

28 June 2020

GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,087	-0.6	0.4	-24.5	6.3
Abu Dhabi (ADX)	4,286	-1.0	-1.4	-15.6	13.3
Kuwait (KSE)	4,916	-0.3	0.5	-12.0	25.8
Qatar (QE)	9,185	-0.4	-1.5	-11.9	14.5
Oman (MSM)	3,526	0.0	0.3	-11.4	9.8
Bahrain (BSE)	1,279	-0.1	0.4	-20.5	9.3
DJMENA Index	507	0.0	-0.6	-16.2	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	3,009	-2.4	-2.9	-6.9	20.9
US (NASDAQ 100)	9,757	-2.6	-1.9	8.7	39.7
UK (FTSE 100)	6,159	0.2	-2.1	-18.3	22.1
Germany (DAX)	12,089	-0.7	-2.0	-8.8	22.6
France (CAC 40)	4,910	-0.2	-1.4	-17.9	19.5
Russia (MICEX)	2,762	0.0	0.1	-9.3	NA
Japan (Nikkei)	22,512	1.1	0.1	-4.8	26.8
Hong Kong (HSI)	24,550	-0.9	-0.4	-12.9	10.5
South Korea (KOSPI)	2,131	0.0	-0.5	-3.0	25.4
China (SHCOMP)	2,980	0.0	0.4	-2.3	15.2
India (NIFTY)	10,383	0.9	1.4	-14.7	22.8
Brazil (IBOV)	93,834	-2.2	-2.8	-18.9	34.8
Turkey (BIST 100)	1,14,668	0.5	0.9	0.2	9.2
Egypt (EGX30)	10,890	0.0	0.3	-22.0	10.7
MSCI Emerging Markets	999	-0.6	-0.2	-10.4	16.5
MSCI World	2,157	-1.7	-2.3	-8.5	NA

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	41.0	-0.1	-2.8	-37.8	-38.4
Natural Gas (\$/mmbtu)	1.5	3.9	-7.8	-29.6	-38.0
Gold (\$/oz)	1,771	0.4	1.6	16.7	25.6
Silver (\$/oz)	17.8	0.0	1.0	-0.3	16.7
Platinum (\$/oz)	806	0.0	-1.1	-16.6	-1.0
Copper (\$/t)	5,957	1.2	1.8	-3.1	-0.3
Zinc (\$/t)	2,039	-0.2	-2.1	-10.6	-20.2
Lead (\$/mt)	1,778	0.1	0.0	-7.6	-7.0
Wheat (\$/bu)	476	-2.6	-2.0	-14.9	-15.9
Corn (\$/bu)	321	0.0	-5.0	-17.3	-24.4
Sugar (\$/lb)	11.6	-2.5	-4.6	-13.4	-15.9

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	0.31	0.00	-1.60	0.00
Saudi Arabia	1.00	0.00	-1.23	0.70
UAE	0.71	0.08	-1.50	0.41
Kuwait	1.69	0.00	-1.06	1.39
Qatar	1.10	-0.14	-1.15	0.80
Bahrain	2.25	0.00	-0.42	1.95

Source: Reuters

NOTES:

(1) Prices updated as of June 26, 2020(2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended in the red on Friday. S&P 500 and NASDAQ declined 2.4% and 2.6%, respectively. Dow Jones Industrial closed 2.8% lower. In Europe, UK increased 0.2%. Germany and France closed 0.7% and 0.2% lower, respectively.
- Asian markets ended mostly higher on Friday. China was closed for trading. Japan gained 1.1%, while South Korea ended flat. Hong Kong declined 0.9% while India ended 0.9% higher.
- GCC markets ended mostly lower on Thursday. Dubai and Abu Dhabi decreased 0.6% and 1.0%, respectively. Kuwait and Qatar declined 0.3% and 0.4%, respectively. Oman closed flat, while Bahrain closed 0.1% lower.
- US jobless claims for the week ended June 20 stood at 1.5mn (prior: 1.5mn; consensus: 1.3mn). (Source: Trading Economics)
- According to OPEC, Oil and gas markets recovery is likely to gather pace in the second half of the year as countries further ease lockdown restrictions and demand rises, expressing cautious optimism that the worst is over. (Source: Trade Arabia)
- According to the Dubai Statistics Center (DSC), the Producer Price Index of the manufacturing sector in Dubai declined by 1.73% in 1Q20 compared to the last quarter of 2019 and by 2.66% against the corresponding period in 2019. The DSC accredited the decline to a drop in the prices of several products, including refined petroleum and pharmaceutical products. (Source: Trade Arabia)
- Dubai Investment Development Agency (Dubai FDI) revealed that Dubai has attracted foreign direct investments (FDI) with expected capital of AED 10bn (SAR 10.2bn) during the first five months of 2020. (Source: Decypha)
- Dubai's DP World (DPW DU) and the Saudi Ports Authority (Mawani) have launched the first direct shipping line connecting Jebel Ali Port with Egypt's Sokhna Port through Jeddah Islamic Port, the largest port in KSA with annual volumes of over 6 million TEUs. The new shipping line aims to provide shipping services on the Red Sea coast. (Source: Decypha)
- Fujairah-based Al Taif Investment has announced that 85% of the work has been completed on its new mixed-use retail, hospitality and residential project, Al Taif Business Centre, and is due for handover by the end of this year. (Source: Trade Arabia)

Coming Up

- Japan's Industrial Production for May 2020 (prior:-9.8% M/M, -15% Y/Y) will be announced on June 30. (Source: Trading Economics)
- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended June 26 (prior: 1.4mn barrels) will be announced on July 1. (Source: Trading Economics)
- US jobless claims for the week ended June 27 (prior: 1.5mn) will be announced on July 2. (Source: Trading Economics)



Daily Markets Overview

28 June 2020

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Authorized and regulated under Capital Market Authority license 11153-37. The company is operating under commercial registration 1010231217 with a paid up capital of SAR 500,000,000.

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